VZCZCXRO0010
PP RUEHROV
DE RUEHDO #0253/01 1050556
ZNY SSSSS ZZH
P 150556Z APR 09
FM AMEMBASSY DOHA
TO RUEHC/SECSTATE WASHDC PRIORITY 8956
INFO RUEHXK/ARAB ISRAELI COLLECTIVE
RHMFISS/HQ USCENTCOM MACDILL AFB FL

S E C R E T SECTION 01 OF 04 DOHA 000253

STPDTS

FOR SPECIAL ENVOY MITCHELL FROM AMBASSADOR LEBARON

E.O. 12958: DECL: 04/13/2019 TAGS: <u>PREL KWBG KPAL QA</u>

SUBJECT: SCENESETTER FOR SPECIAL ENVOY MITCHELL'S APRIL

20-21 VISIT TO QATAR

Classified By: Ambassador Joseph E. LeBaron, for reasons 1.4 (b, d).

- 11. (C) Embassy Doha welcomes your visit to Qatar. I look forward to hosting you at my residence, while the delegation accompanying you stays at the Sharq Hotel. We have requested host-country meetings for you with the Amir and the Prime Minister. You met with the PM in Washington earlier this month, and you would be the first USG official, other than General Petraeus, to meet with the Amir since the start of the Obama Administration.
- 12. (C) We know that your focus is Palestinian-Israeli issues. Accordingly, we have tailed our Scenesetter below to reflect that focus. We begin, however, with what we believe to be a necessary assessment of the U.S.-Qatar relationship.

THE U.S.-QATAR RELATIONSHIP

- 13. (C) The breadth and depth of Qatar's relationship with the U.S. is impressive, especially for a country the size of Connecticut, with about two million inhabitants, of whom only about 225,000 are actually Qatari citizens.
- -- Because it is so small and its energy resources so large, Qatar now has an annual per capita income of over \$60,000 (the highest in the world). Qatar's national revenues will continue growing despite the global economic crisis, although their upward trajectory will be moderated by a drop in commodity prices.
- -- Wealth has bolstered the country's political ambitions, leading to Qatari foreign policy initiatives that too often been at odds with U.S. objectives. Examples include Qatar's relations with Hamas, Hezbollah, Iran, and Syria.
 -- Until recently, Qatar was not fully cooperative in
- -- Until recently, Qatar was not fully cooperative in intelligence sharing and combating terrorism financing, which also led to tensions with Washington.
- -- At the political level, the bilateral relationship has been cold, but it is improving. Prime Minister Hamid bin Jassim has told us Qatar was to "close the chapter" of poor political relations with Washington, and, as you know, he recently visited Washington for a series of meetings with senior Administration officials.
- -- In contrast to the political relationship, the U.S.-Qatar military relationship is solid. Qatar provides the U.S. military exceptional access to two major Qatari military installations, Al Udaid Air Base and Camp As-Saliyeh -- two of CENTCOM's most important operating installations outside of Iraq. Qatar charges us no rent, and in fact is funding over \$700 million in construction projects for the exclusive use of the U.S. military.
- -- The U.S.-Qatar economic relationship is vital. U.S. energy companies have invested tens of billions of dollars in the oil and gas industry here. Qatar, which holds the third largest natural gas reserves in the world after Iran and Russia, is expected to become in 2010 one of the most important suppliers of imported liquefied natural gas (LNG) to the U.S. market.

-- Our educational and cultural relationship with Qatar is strong and growing. Qatar has committed itself like few other Arab states to modernizing its educational system, and has turned decisively to the United States for help. Qatar has imported branch campuses of six U.S. universities, including Texas A&M, Carnegie-Mellon, Weill-Cornell Medical School, Georgetown, Virginia Commonwealth, and Northwestern. At the elementary and secondary levels it is instituting a U.S. model of charter schools.

-- Al Jazeera, the television network with an Arabic-speaking audience of some 60 million, is based in Qatar and funded by the State of Qatar. The network's coverage, particularly by its Arabic service on issues important to the United States, has long been an irritant in our bilateral relationship. We nevertheless recognize the value of USG officials appearing on Al Jazeera in order to ensure that official U.S. voices are heard in the Arab world. Because it is funded by the State of Qatar, Al Jazeera avoids reporting critical of Qatar. In any event, its Arabic service remains an important source of outreach to Arabic speakers around the world, especially on Israeli and Palestinian issues. We are happy to arrange an interview on Al Jazeera for you if you have interest and your time on the ground in Doha permits.

QATAR'S STRATEGY OF BALANCING COMPETING INTERESTS

 $\P4$. (C) SAUDI ARABIA: The Amir's family, the Al Thanis, have ruled Qatar for more than 140 years. Given the small size of Qatar and a desire to stay in power, the Al Thani family does its best to stay on good terms with larger regional players,

DOHA 00000253 002.3 OF 004

such as Iran and Saudi Arabia. The relationship with Riyadh had been strained following perceptions in the Kingdom that Al Jazeera's coverage of the Saudi royal family was unflattering, leading the Saudis a few years ago to pull their ambassador. However, a Saudi ambassador returned to Doha a little over a year ago, and relations are generally improving.

- $\P5$. (S) IRAN: The Qataris deeply distrust Iran and oppose that neighbor's nuclear weapons program. But sharing the third largest natural gas reserves in the world with Iran obliges the Qatari leadership to maintain a "working relationship" with Tehran. As an example of the balancing act Qatar plays with Iran -- and elsewhere -- Qatar will not close the one Iranian bank serving Qatar, as we have asked. Nor, however, will Qatar allow Iran to open additional banks, as we expect the Iranians would like. Instead, in classic Qatari fashion, the government announced it had granted permission to the sole operating Iranian bank to open a second branch -- on the same day former Treasury Secretary Paulson visited Doha in June. Such behavior does not satisfy either the U.S. or Iran, but it exemplifies how the Al Thani leadership tries to maintain balance between competing interests. (Think also of Qatar's relations with Iran juxtaposed to the considerable U.S. military presence in Qatar.)
- 16. (S) RELATIONS WITH BAD ACTORS: Qatar's contacts with Hamas are consistent with the current Amir's stated desire to have good relations and contacts with everyone, and his belief that Hamas won in free-and-fair elections for the Palestinian Legislative Council in January 2006. The Qatari leadership also appears to calculate that maintaining relations with bad actors such as Hezbollah and the Iranians helps ensure Qatar's security by serving as an insurance policy against attack -- a real concern given Qatar's hosting of U.S. military personnel and the perception of this by extremist elements in the region.
- 17. (S) RELATIONS WITH ISRAEL: Up until January, Israel maintained a quasi-diplomatic presence in Doha. Qatar's "freezing" of Israel's Trade Office presence occurred in the wake of the failure by Qatar to achieve a quorum of Arab leaders for an Arab League Summit aimed at addressing the crisis in Gaza. The subsequent Doha Summit on Gaza, attended

by a large Arab and Palestinian contingent from the rejectionist camp, voted to break off ties with Israel as a protest over Gaza. Qatar acted immediately; Mauritania later.

18. (S) The January Summit, held days before President Obama took office, got the Qataris off on the wrong foot with the new Administration. Senior Qatari officials have since made clear their strong commitment to a continued strategic relationship with the United States. We predict that Qatar, which continues to tell the Israelis that bilateral contacts are welcome, will look for an opportunity to reopen the Israeli Trade Office. Having jettisoned their own policy of maintaining overt good relations with Israel, however, Qatari officials are no doubt hoping for a gesture by the Israelis vis--vis the Palestinians that would allow Qatar to reverse itself with dignity.

THE TREND FOR INCREASED DIPLOMATIC ACTIVISM BY QATAR

- 19. (C) LESSONS FROM LEBANON: Qatar, led by the Amir and Prime Minister, successfully mediated the Lebanese conflict in June, to much acclaim in many parts of the region. In doing so, the Qatari leadership reaffirmed its belief that Qatar's policy of having open doors across the ideological spectrum in the region was important to promoting stability in the region. The parties to the Lebanese conflict were brought to Doha and lodged in the Sheraton Hotel. Senior Qatari officials, including the Prime Minister and Amir, shuttled back and forth between various hotel rooms in a coordinated effort to narrow the gaps between the parties. The Amir, failing to convince Hezbollah to sign on to the draft agreement that the other parties, in some cases begrudgingly had accepted, called the Presidents of Syria and Iran to ask for their help with Hezbollah's leadership. They did, and we think Qatar's leaders drew three important conclusions:
- (1) A small state getting along with everyone can accomplish what larger states (Jordan, Egypt, and Saudi Arabia in the Lebanese example) cannot;
- (2) Good relations with bad actors (in this case Syria and Iran) can lead to tangible and beneficial results for the region and the world; and
- (3) Resolving the Lebanese conflict increased regional stability and paid dividends for Qatar's own security and global standing.

DOHA 00000253 003 OF 004

- 110. (C) EGYPT AND SUDAN: Qatar's success on Lebanon may have encouraged its leaders to take issue publicly with Egypt on its mediation of the Palestinian-Israeli conflict during the Gaza crisis. It is clear that President Mubarak remains furious with the Qataris over their behavior in December, and Egypt's bitterness is endangering Qatar's current high-profile mediation initiative on Darfur, which is supported by the U.S. (Special Envoy for Sudan Gration and UN/African Union Mediator Djibril Bassole are currently expected to visit Doha at the end of April; this would be Gration's first trip to Qatar.)
- 111. (C) PALESTINIAN UNITY: Qatar's leaders will likely tell you that they support the formation of a Palestinian national unity government and Egypt's mediation efforts. In Qatar's view, Egypt will not succeed in wringing concessions from Hamas. A national unity government would, though, show more flexibility. You can expect the Amir to make the case to engage Hamas (Khalid Mish'al is a frequent interlocutor), arguing that Hamas will spoil any agreement Israel makes with the Palestinian Authority (PA) if it does not have a stake in its success. It's not clear how supportive Qatar truly is of Egypt when Cairo is undermining Doha on Sudan, but bad blood between Egypt and Qatar will complicate your efforts to take advantage of Qatar's ties with Hamas.
- 112. (C) MEDIATION, NOT MILITARY MIGHT: Considering Qatar's wealth, its growing confidence in mediating disputes, and the prestige that such involvement brings, we expect Qatar will

continue to carve out a regional diplomatic role for itself in the coming years. A few of Qatar's initiatives have foundered, including an effort to mediate a ceasefire between the Yemeni government and the Shi'a Houthi rebels in the north. Closer to your portfolio, a half-hearted attempt to bring Hamas and Fatah rivals together also yielded nothing. 13. (C) Qatar, with a population of fewer than 250,000 citizens, will never be a military power. Having its sites set on regional diplomacy and mediation is quite realistic, however. Also, despite the global economic crisis, Qatar's ample natural gas reserves should provide sufficient money to invest in the global good. Improving stability through mediation in a turbulent region where Qatar's military resources are meager makes inherent sense. What resources Qatar is putting into its military are aimed at providing airlift capacity for humanitarian interventions. Qatar in the coming months will take possession of U.S.-supplied C-17 aircraft, and it is well possible that Qatar may seek to use those aircraft to bolster tangibly its diplomatic initiatives, such as by supplying humanitarian needs in Africa (including Sudan).

FINAL THOUGHTS

- 114. (C) QATAR AS PARTNER: The Embassy views your visit as an exceptional opportunity to help put the bilateral political relationship on a positive trajectory after the Gaza debacle at the start of the current Administration. The best way to elicit a positive response from the Amir for what the U.S. seeks is to make him our partner. By partnership, we do not suggest a one-way street where we ask Qatar for money (as the USG has done multiple times over the last year alone from Afghanistan to Iraq to Kosovo). Obtaining Qatar's support and money to advance the Israeli-Palestinian situation will require making Qatar a stakeholder in an issue very near and dear to the Amir.
- 115. (C) DEFINING A ROLE: Giving the Qataris a defined role to play is the best way to bring them on board -- and keep them from making mischief elsewhere. Qatar is a small state with global ambitions, and it wants to be seen as a player. When we have asked Qatar to help us -- for example in interceding with the Libyans to put Lockerbie behind us at the end of the previous Administration -- the Qataris have been true to their word and worked our requests very quietly.
- 116. (C) MANAGING EXPECTATIONS: We know that giving Qatar a mediation role in the Israeli-Palestinian would not go over well with the rest of the region. The Qataris, more than anyone, are aware that other Arab states speak ill of them in Washington. The key is to give Qatar not a lead role in the spotlight but a supporting role with behind-the-scenes responsibility.
- 117. (C) IT'S ALL ABOUT THE AMIR: It is important to remember that Qatar's policies -- such as talking to everyone, not isolating Syria, and engaging Hamas -- come from the Amir. Honor and respect are very important to him, and the Amir very much wants to be seen as someone who abides by his commitments. That is one reason why, having been asked by Secretary Rice to help convince Hamas to participate in Palestinian elections, he refused to cut off Hamas, following

DOHA 00000253 004 OF 004

its victory, from financial support. Rather than lamenting that his sense of honor makes him hard-headed, we need to channel his abiding sense of commitment and loyalty in ways that help us.

118. (C) The Amir is also someone who wants to take action. His frustration, if not anger, with Arab inaction in helping the Palestinians led to Qatar's casting its lot with more radical elements just before President Obama took office. That was a lamentable departure from Qatar's normal behavior, but tapping into the Amir's desire to bring a lasting and equitable solution to the Israeli-Palestinian conflict is in our strategic interest.

- 119. (C) The Amir has wealth and a vision to develop Qatar's potential in education, science, and technology. Neither his wealth nor his vision garners him respect. On the contrary, one of Qatar's problems is that its neighbors envy what the small state has at its disposal. The best way you can help us take greater advantage of Qatar's vision and resources is by tapping into the Amir's enthusiasm and energy and harnessing them as resources that we as partners can leverage together.
- 120. (C) GETTING THE MONEY: Qatar does not respond to our numerous appeals for financial assistance because they don't come from senior USG officials as part and parcel of a bilateral strategic partnership. The Amir did not lead Qatar to where it is today without defining targets and creating stakeholders. He yearns to have the President reach out to him and chart a course together based on cooperation, commitment and trust.
- 121. (C) Qatar has money, but it spends it wisely, on the whole. When Qatar assisted the victims of Hurricane Katrina, it partnered with Habitat for Humanity and other partners on the ground, endeavoring to make sure that every penny spent went to the victims and not administrative overhead. This is generally how Qatar approaches all foreign aid, and it's not unlike how most Americans make decisions regarding charitable giving. When it comes to financial support to the Palestinians, expect your Qatari interlocutors to complain that the PA (except for Abu Mazen and Fayyad) is corrupt and that Qatar does not want to send money through the PA. It is critical to address Qatar's assessment that its donations to the Palestinians, if given through PA channels, will be squandered.
- 122. (C) While the military, commercial and educational relationships the U.S. maintains with Qatar are excellent, the political relationship will take a concerted effort to improve. But the opportunity for that is clearly there, and building trust and a personal relationship with the Amir, and giving him and his country a viable role as our partner, are the surest paths to success.

 LeBaron